



## NEWS RELEASE

# Looking Glass Labs Reports Over \$280,000 Equivalent of NFT Royalty Revenue in October

## The Company Bolstered its Reserves Through the Collection of 53 ETH in Passive Monthly Royalties from Secondary Market Sales of its First Two NFT Collections

Vancouver, British Columbia – November 2, 2021 / Globe Newswire / – Looking Glass Labs Ltd. (“LGL” or the “Company”), a digital agency specializing in non-fungible token (“NFT”) architecture, immersive extended reality (“XR”) metaverse design, and virtual asset royalty streams, is pleased to announce over CAD 280,000 of revenue realized through royalty streams earned from the resale of its NFT collections in the secondary market during the month of October 2021. LGL currently earns royalties on the resale of GenZeroes and the House of Kibaa (“HoK”) Genesis Membership NFTs (“HoK Genesis Membership NFTs”). LGL also recently announced that in September 2021 all 10,000 of HoK’s GenZeroes NFTs sold out in just 37 minutes for net proceeds of 1,514.178 ETH, or the equivalent of approximately CAD 6.2 million.

Under a royalty provision encoded into each smart contract of all GenZeroes and HoK Genesis Membership NFTs on the blockchain, LGL is entitled to collect 5% of the gross amount of any and all GenZeroes resold in the secondary market in perpetuity, as well as 10% of the gross amount of any and all HoK Genesis Membership NFTs resold in the secondary market in perpetuity. As NFTs continue to gain popularity in order to secure artwork, digital media, gameplay, real-life memorabilia, and applications in interactive metaverses, among other uses, LGL is strategically increasing its scope of offerings to broaden its portfolio of perpetual royalty streams.

The table below summarizes the Company’s royalty streams from the resale of its NFTs in the secondary market, as collected in Ethereum cryptocurrency (“ETH”) for the month of October 2021 and shown on a market value basis in Canadian Dollars (“CAD”) as at the end of the month:

Royalty Stream	Royalty Rate	Royalties Collected During October 2021 (Expressed in ETH)	Market Value of the Royalties Collected in ETH During October 2021 (Expressed in CAD)
GenZeroes ( <a href="https://opensea.io/collection/genx-by-hok">https://opensea.io/collection/genx-by-hok</a> )	5.00%	47	250,176.13 <sup>1</sup>

Genesis ( <a href="https://opensea.io/collection/hok-main">https://opensea.io/collection/hok-main</a> )	10.00%	6	31,937.38 <sup>1</sup>
<b>Total</b>		<b>53</b>	<b>282,113.51</b>

1. Market value as at October 31, 2021.

Additionally, for corporate planning purposes the Company converted a total of 1,539 units of ETH into CAD 6,534,032 in a series of transactions occurring in the month of October 2021. However, as a matter of policy the Company expects to hold any digital currencies received in its normal course of operations in their original form, and does not expect to convert ETH or any other digital currencies into CAD or any other fiat currencies unless required to pay operating costs or to satisfy audit, tax, regulatory or other government mandated requirements. With a strong treasury in CAD to fund LGL’s near term operations, the Company expects to continue building its reserves of digital currencies through its ongoing royalty rights and future releases of NFT collections.

### **Management Commentary**

Dorian Banks, Chief Executive Officer of LGL, said, “October 2021 was a wonderful month for LGL as our perpetual royalty streams yielded a significant amount of passive, high-margin revenue for the organization, which is correlated with the increasing popularity of our NFTs. As LGL drops more NFT collections over time, through HoK and by other means, and subject to the forces of supply and demand, it’s quite possible that our royalty revenues will compound in aggregate as these digital assets continue to be re-sold between people on an ongoing and frequent basis.” Mr. Banks added, “LGL is not only becoming special and valuable through the creation and regular launch of innovative NFT collections, but also due to the strategic leveraging of these royalty streams that are secured by and enforceable via the smart contracts of the blockchain.”

### **ABOUT LOOKING GLASS LABS**

Based in Vancouver, British Columbia, Looking Glass Labs is a digital agency specializing in non-fungible token (“**NFT**”) architecture, immersive extended reality (“**XR**”) metaverse design, and virtual asset royalty streams. Its leading brand, House of Kibaa (“**HoK**”), is a digital studio at the forefront of technologies in the blockchain, NFT, and XR metaverse sectors. HoK designs and curates a next generation metaverse for 3D assets, which allows functional art and collectibles to exist simultaneously across different NFT blockchain environments.

On behalf of **LOOKING GLASS LABS LTD.**

“*Dorian Banks*”

Dorian Banks, Chief Executive Officer

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### ***Forward-Looking Information***

*This news release contains “forward-looking statements.” Statements in this news release that are not purely historical are forward-looking statements and include any statements regarding beliefs, plans, expectations, or intentions regarding the future. Such forward-looking statements include, among other things: the demand for the Company’s NFT initial offerings and in the resale market continues to grow; the Company’s goal to become the leading digital studio specializing in NFT architecture, immersive metaverse design and virtual asset display monetization streams; the Company’s ability to offer new NFT collections on a regular basis; and to build out a portfolio of perpetual NFT royalty streams through collaborations, accretive acquisitions and other arrangements, to potentially result in consistent, de-risked and passive revenue.*

*The material assumptions supporting these forward-looking statements include, among others, that: the Company could mitigate the risks associated with the blockchain and NFT industry; and the ability to compete with other businesses in the NFT market.*

*Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. These forward-looking statements are only predictions and involve known and unknown risks, uncertainties and other factors, including: the continued growth and adoption of NFT and metaverse offerings by consumers; the cost of developing and designing NFTs and metaverses is economically viable; the volatility of digital currencies; the Company being able to attract and retain a sufficient workforce with desired skillsets to develop the Company’s NFT and metaverse offerings; the availability of offerings provided by third-parties in the NFT, metaverse development and online gaming market to identify potential transactions; the increasing adoption of NFTs as a solution for various online gaming, entertainment and collectible uses; the Company having the ability to mitigate the risks associated with the blockchain and NFT industry; and the ability to compete with other businesses in the NFT, metaverse development, content creation and collectibles market.*

*Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. These forward-looking statements are only predictions and involve known and unknown risks, uncertainties and other factors, including: the risk that the Company’s offerings are not accepted by the consumer, the risk that other competitors may offer similar digital offerings; the risk that there may be negative changes in general economic and business conditions; the risk that the Company may have negative operating cash flow and not enough capital to complete the development of any of its technologies; the risk that the Company may not be able to obtain additional financing as necessary; the risk that there may be increases in capital and operating costs; the risk that the NFT technology may be subject to fraud and other failures; the risk that there may be technological changes and developments in the blockchain that make the NFT solutions obsolete; risks relating to regulatory changes or actions which may impede the development or operation of the blockchain solutions; the risk that other competitors may release similar blockchain offerings; the potential future unviability of the NFT market in general; the volatile cost of the amount of computational effort required to execute specific operations on the blockchain, and other general risks involved in the blockchain solutions.*

*Risks and uncertainties about the Company’s business are more fully discussed in the Company’s disclosure materials, including its reports filed with the Canadian securities regulators and which can be obtained from [www.sedar.com](http://www.sedar.com).*

*Any of these risks may cause the Company’s actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Further, although the Company has attempted to identify factors that could cause actual results, levels of activity, performance or achievements to differ materially from those described in forward-looking statements, there may be other factors that cause results, levels of activity, performance or achievements not to be as anticipated, estimated or intended. These forward-*

*looking statements are made as of the date of this news release, and the Company assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those projected in the forward-looking statements, except as required by applicable law, including the securities laws of the United States and Canada. Although the Company believes that any beliefs, plans, expectations and intentions contained in this news release are reasonable, there can be no assurance that any such beliefs, plans, expectations or intentions will prove to be accurate. The Company does not assume any liability for disclosure relating to any other company mentioned herein.*